



September 6, 2017

Subject: Notice of Intent to Adopt an Initial Study and Proposed Negative Declaration Regarding the Proposed Statewide Regulations for the Bureau of Cannabis Control's Commercial Cannabis Business Licensing Program

To Interested Parties:

NOTICE IS HEREBY GIVEN that the California Bureau of Cannabis Control (Bureau), as lead agency under the California Environmental Quality Act (CEQA), has prepared an Initial Study and is planning to adopt a proposed negative declaration for its commercial cannabis business licensing program (Proposed Program). The Bureau is making the Initial Study/Proposed Negative Declaration (IS/ND) available for public review.

PROGRAM LOCATION: The Proposed Program would occur statewide, in various locations within the state of California at licensed commercial cannabis distributors, retailers, testing laboratories, and microbusinesses.

PROJECT BACKGROUND: The overall purpose of the Proposed Program is to establish a regulatory licensing and enforcement program for commercial cannabis activities. The Proposed Program will ensure that medicinal and adult-use commercial cannabis activities are performed in a manner that avoids significant adverse impacts on the environment, cannabis industry workers, and the general public from the individual and cumulative effects of these commercial cannabis activities, and complies with applicable laws, including the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA).

The Proposed Program involves adoption of regulations to establish and implement a licensing program for medicinal and adult-use cannabis distributors, retailers, testing laboratories, and microbusinesses, in compliance with the requirements of MAUCRSA.

The Proposed Program regulations will be developed to achieve the following objectives:

- Create a comprehensive and coherent regulatory framework for an established industry that has not been regulated by the State.
- Establish minimum licensing requirements for commercial cannabis distributors, retailers, testing laboratories, and microbusinesses;
- Ensure that commercial cannabis is tested for quality, including the presence and amounts of mold, contaminants, and pesticides, prior to retail sale;
- Prescribe standards for the reporting of the movement of cannabis and cannabis products throughout the distribution chain (a "track and trace" system) and information related to the movement of cannabis and cannabis products for the different stages of commercial

cannabis activity, including, but not limited to distribution, retail sale, laboratory testing, and microbusiness operations; and

- Ensure a regulatory structure that prevents access to cannabis by persons without a physician's recommendation or who are under 21 years of age; protects public safety, public health, and the environment.

The Bureau would review cannabis business license applications and issue or deny licenses, inspect business premises to determine compliance with regulatory requirements, and conduct enforcement actions, which could include investigations, penalties, licensing actions, and/or destruction of cannabis plants and products.

The release of the IS/ND starts a 30-day public review and comment period to allow agencies and interested parties the opportunity to provide input on the environmental analyses associated with cannabis business licensing.

As the lead agency, the Bureau has prepared the IS/ND in accordance with CEQA. Based on the findings of the draft IS/ND, the Bureau has determined that the Proposed Program would not have any significant effects on the environment.

HAZARDOUS MATERIALS. Because the locations where licensed operations may be sited are currently unknown, it cannot be determined whether they would be located on sites on any of the lists enumerated under section 65962.5 of the Government Code including, but not limited to lists of hazardous waste facilities, land designated as hazardous waste property, and hazardous waste disposal sites, and the information in the Hazardous Waste and Substances Statement required under subdivision (f) of that section.

DOCUMENT AVAILABILITY: The IS/ND and supporting documents are available for download from the Bureau's website: www.bcc.ca.gov. Hard copies of the document can be reviewed at the Bureau's office in Sacramento (address shown below). To arrange to view documents at the Bureau's office during business hours, call (916) 574-7595. The document can also be reviewed electronically at libraries throughout the state that serve as document repositories; for a full list of locations, refer to the Bureau's website. CD-ROMs containing the document are available on request by calling (916) 574-7595 or emailing BCC.CEQAcomments@dca.ca.gov. A limited number of CD-ROMs will also be available at the public meetings in Long Beach, Fresno, and Sacramento. Printed copies are also available at cost plus postage, upon request, using the contact information above.

PUBLIC REVIEW PERIOD: The IS/ND is available for a 30-day public review and comment period, which begins on September 6, 2017, and ends at 5 p.m. on October 6, 2017. **Please send comments on the IS/ND at the earliest possible date, but postmarked no later than 5 p.m. on October 6, 2017, in order for your comments to be considered.**

Comments may be mailed to the following address:

Bureau of Cannabis Control
Attention: Sara Gardner
Attorney III
1625 North Market Boulevard, Suite S-202
Sacramento, CA 95834

Written comments may also be submitted by email to: BCC.CEQAcomments@dca.ca.gov. Emailed

comments are preferred, and should include your name, address, and daytime telephone number so a representative of the Bureau can contact you if clarifications regarding your comments are required.

All comments received, including names and addresses, will become part of the official public record.

PUBLIC MEETINGS: All interested persons are encouraged to attend the public meetings to present written and/or verbal comments on the IS/ND. Three public workshops will be held at the following locations and times:

- Long Beach, CA: Monday, September 18, 2017 from 6:00 to 8:00 p.m. at Long Beach Marriott, 4700 Airport Plaza Drive, Long Beach, CA 90815.
- Fresno, CA: Wednesday, September 20, 2017, from 6:00 to 8:00 p.m. at Fresno Convention Center, 838 M Street, Fresno, CA 93721.
- Sacramento, CA: Thursday, September 21, 2017, from 6:00 to 8:00 p.m. at Sacramento Convention Center, 1400 J Street, Sacramento, CA 95814.

Sincerely,



Lori Ajax
Chief, Bureau of Cannabis Control

Locations where IS/ND can be reviewed:

- Online: bcc.ca.gov
- Bureau of Cannabis Control, 1625 North Market Boulevard, Suite S-202, Sacramento, CA 95834
- Libraries throughout the state; see Bureau's website (bcc.ca.gov) for a list of locations